SOFTWARE SPECIFICATIONS

BULLETIN 4a

UPDATE TO
PUBLICATION 1346N
FOR
TAX YEAR 2009
January 28, 2010

This document supplements Nebraska Publication 1346N, and is intended to notify software developers in the Federal/State Electronic Filing Program of changes to original specifications releases.

TAX YEAR 2009 BULLETIN # 4a

REVENUE RULING CORRECTION

The Revenue Ruling 22-09-01 used as part of the instructions for Form 1040N Line 16, Nebraska Minimum or Other Tax that was posted on our Web site contained an error in the instructions for recalculating federal Form 6251. This has been corrected and reposted. Here are the corrected instructions for this recalculation.

2009 Federal Form 6251 (Alternative Minimum Tax - Individuals):

- Line 1. If you itemized deductions, enter the amount from line 14, Nebraska Form 1040N, and go to line 2, Form 6251. Otherwise, enter line 5, plus line 12, minus line 13 from Nebraska Form 1040N, and skip to line 8, Form 6251.
- Line 3. Enter the Federal Form 6251, line 3 amount, less the amount from line 8, Form 1040N.
- Line 8. Enter -0-.
- Line 11. Enter any Nebraska net operating loss deduction included on line 59, Schedule I, Form 1040N.
- Line 12. Enter the alternative tax net operating loss deduction as adjusted for Nebraska purposes.
- Line 13. Enter only the tax-exempt interest from Nebraska private activity bonds issued after August 7, 1986.
- Line 32. If Part III of Form 6251 was used to make the line 32 entry, exclude any capital gains in the calculation that were excluded on line 54 of Nebraska Schedule I.
- Line 33. Enter -0-.
- Line 35. Compute the regular federal income tax before credits on the Nebraska Tax Table Income, line 14, Form 1040N. The same federal tax method used to complete line 44, Federal Form 1040, is to be used. Enter the computed amount without subtracting any foreign tax credit.

The corrected ruling is http://www.revenue.ne.gov/legal/rulings/inctax.html.

REJECT CODE CHANGE CORRECTION

As reported in Bulletin # 4, MSRRA will impact our Reject Codes. The change in the Reject Code instructions contained an error. **See the strikeout notation below**.

Reject Code 511 will now only be issued under the following circumstances:

- If it is a Married Filing Joint (File Status 2) return
- If it has the Active Military checkbox is checked
- If a W-2 for the service member exists showing it is a military federal id number, AND box 15 is something other than 'NE'

If Line 71 has value and this criterion is met, and any of lines **66 or 68,** ~~73, or 74~~ are blank, we would issue Reject Code 511.

If Line 71 does not have value and this criterion is met, none of the Schedule III lines are required.

If Line 71 has value and this criterion is not met, and any of lines 66, 68, 69, 70, 73 or 74 are blank, we would issue Reject Code 511.